

EXHIBIT A(5)

Unknown

From: Brian.Snider@HHFD.COM
Sent: Tuesday, February 10, 2004 11:49 AM
To: cmcguire@DEPAUW.EDU
Subject: Hennessee



DePauw
University.xls (26 KB)

Carla,
Attached are preliminary returns for the portfolio in January. Regards, Brian (See
attached file: DePauw University.xls)

Hennessee Hedge Fund Advisory Group

	A	B	C	D	E
1	2004 Portfolio Performance Monitor Prepared for DePaul				
2					
3				Current	2004 (est.)
4			YTD	%	Beginning
5		Manager	Return	Weighting	Value
6		TQA Vantage Plus Fund Ltd.	2.02%	7.54%	
7					\$750,000
8		<i>Hennessee Convertible Arbitrage Index</i>	1.41%	7.54%	
9		Ascend Offshore Fund, Ltd.	0.90%	9.95%	
10					\$1,000,000
11		Sandler Offshore Fund, Ltd.	1.10%	9.97%	
12					\$1,000,000
13		<i>Hennessee Growth Index</i>	1.90%	19.91%	
14		West Broadway Partners, Ltd.	1.50%	7.50%	
15					\$750,000
16		<i>Hennessee Merger Arbitrage Index</i>	0.90%	7.50%	
17		BBT Overseas Partners, L.P.	0.46%	12.38%	
18					\$1,250,000
19		Hamilton Multi-Strategy Fund, Ltd.	0.22%	9.88%	
20					\$1,000,000
21		Ramius Fund, Ltd.	1.69%	12.53%	
22					\$1,250,000
23		<i>Hennessee Multiple Arbitrage Index</i>	1.33%	34.79%	
24		Bayou No Leverage Fund, LLC	1.04%	9.96%	
25					\$1,000,000
26		Galleon Diversified Fund, Ltd. Class A	3.93%	10.25%	
27					\$1,000,000
28		<i>Hennessee Opportunistic Index</i>	2.06%	20.21%	
29		Basswood Opportunity Fund, Inc.	1.88%	10.04%	
30					\$1,000,000

The information in this report is confidential and proprietary. Past performance is not a guarantee of future returns.

Hennessee Hedge Fund Advisory Group

	F	G	H	I
1	University			
2				
3				% Return
4		Current	\$ Gain/	Since Jan. 1
5	January	Value	(Loss)	or Inception
6	2.02%			
7	\$765,150	\$765,150	\$15,150	2.02%
8	1.41%			
9	0.90%			
10	\$1,009,000	\$1,009,000	\$9,000	0.90%
11	1.10%			
12	\$1,011,000	\$1,011,000	\$11,000	1.10%
13	1.90%			
14	1.50%			
15	\$761,250	\$761,250	\$11,250	1.50%
16	0.90%			
17	0.46%			
18	\$1,255,750	\$1,255,750	\$5,750	0.46%
19	0.22%			
20	\$1,002,200	\$1,002,200	\$2,200	0.22%
21	1.69%			
22	\$1,271,125	\$1,271,125	\$21,125	1.69%
23	1.33%			
24	1.04%			
25	\$1,010,400	\$1,010,400	\$10,400	1.04%
26	3.93%			
27	\$1,039,300	\$1,039,300	\$39,300	3.93%
28	2.06%			
29	1.88%			
30	\$1,018,800	\$1,018,800	\$18,800	1.88%

The information in this report is confidential and proprietary. Past performance is not a guarantee of future returns.

Hennessee Hedge Fund Advisory Group

	A	B	C	D	E
3				Current	2004 (est.)
4			YTD	%	Beginning
5		Manager	Return	Weighting	Value
31		<i>Hennessee Value Index</i>	<i>1.82%</i>	<i>10.04%</i>	
32		Grand Total		100.00%	\$10,000,000
33					
34		<i>S&P 500 DRI</i>	<i>1.84%</i>		
35		<i>MSCI EAFE (USD) Price Index</i>	<i>1.37%</i>		
36		<i>Russell 2000</i>	<i>4.28%</i>		
37		<i>NASDAQ</i>	<i>3.13%</i>		
38		<i>Hennessee Hedge Fund Index</i>	<i>2.14%</i>		
39					
40					
41	Portfolio Return [AIMR Standards]:				
42		<i>Time Weighted:</i>	<i>1.44%</i>		
43		<i>Dollar Weighted:</i>	<i>1.44%</i>		
44					
45		See notes on the Statement of Cash Flows.			
46					
47					
48					
49		Please feel free to contact your Hedge Fund Consultant, Brian Snider or I			

The information in this report is confidential and proprietary. Past performance is not a guarantee of future returns.

Hennessee Hedge Fund Advisory Group

	F	G	H	I
3				% Return
4		Current	\$ Gain/	Since Jan. 1
5	January	Value	(Loss)	or Inception
31	1.82%			
32	\$10,143,975	\$10,143,975	\$143,975	
33				
34	1.84%			
35	1.37%			
36	4.28%			
37	3.13%			
38	2.14%			
39				
40				
41				
42	1.44%			
43				
44				
45				
46				
47				
48				
49	ecana Piscopo at 212-857-4455. (Feb 9 2004, 1:49 PM)			

The information in this report is confidential and proprietary. Past performance is not a guarantee of future returns.

	A	B	C
	2004 Statement of Cash Flows for DePauw University		
1			
2			
3	Manager	Date	Amount
4	Addition(s)		
5	Ascend Offshore Fund, Ltd.	January 1, 2004	\$1,000,000
6	Basswood Opportunity Fund, Inc.	January 1, 2004	1,000,000
7	Bayou No Leverage Fund, LLC	January 1, 2004	1,000,000
8	BBT Overseas Partners, L.P.	January 1, 2004	1,250,000
9	Galloon Diversified Fund, Ltd. Class A	January 1, 2004	1,000,000
10	Hamilton Multi-Strategy Fund, Ltd.	January 1, 2004	1,000,000
11	Ramius Fund, Ltd.	January 1, 2004	1,250,000
12	Sandler Offshore Fund, Ltd.	January 1, 2004	1,000,000
13	TQA Vantage Plus Fund Ltd.	January 1, 2004	750,000
14	West Broadway Partners, Ltd.	January 1, 2004	750,000
15	Total Investment(s)		\$10,000,000
16			
17			
18	Notes:		
19	Performance numbers are obtained from the managers and are unaudited estimates. Numbers are net of management and incentive fees, and should not be used for tax purposes.		
20	Performance data is not confirmed by Hennessey Group LLC, and no representation is made with respect to the accuracy and completeness of the data.		
21	Performance numbers are subject to change.		

The information in this report is confidential and proprietary. Past performance is not a guarantee of future returns.

EXHIBIT A(6)

Unknown

From: Brian Snider [Brian.Snider@HHFD.COM]
Sent: Friday, September 24, 2004 1:29 PM
To: Carla McGuire
Subject: RE: Hedge Fund Primer



2004 HF 101 pic17451.pcx (2 KB)
MASTER TEMPLATE.ppt

I realized that the misperceptions presentation is entirely in the HF 101 presentation, so here it is. We'd be more than willing to physically give the presentation since there are some items that might need to be explained in more detail. Which reminds me, do you want us to present at your investment committee meeting annually? If so, the January meeting might be best, especially if it's in Florida. Do you have a date?

Email me back when you receive it since it's a large document. Brian (See attached file: 2004 HF 101 MASTER TEMPLATE.ppt)

"Carla McGuire" <cmcguire@depauw.edu> on 09/24/2004 10:50:53 AM

To: "Brian Snider" <Brian.Snider@hhfd.com>
cc:

Subject: RE: Hedge Fund Primer
(Embedded image moved to file: pic17451.pcx)

Brian,

If you would send them, that would be great.

Thanks,

Carla

Carla C. McGuire, CFA
Chief Investment Officer
DePauw University
1575 Dietrich Chase Lane
St. Louis, MO 63021
Phone 636-527-7502
Fax 636-527-9185

-----Original Message-----

From: Brian Snider [mailto:Brian.Snider@HHFD.COM]
Sent: Friday, September 24, 2004 9:31 AM
To: Carla McGuire
Subject: Re: Hedge Fund Primer

Carla, I've attached the pertrac exports. We have a few presentations that would serve as a hedge fund primer. The first is a presentation that we've titled "Hedge Fund 101", which is a fairly lengthy presentation covering the history of shorting, how hedge funds make money via preservation of capital/compounding, performance metrics, and misperceptions. I believe the presentation

that I brought to the committee meeting in January was one called "Hedge Fund Misperceptions". I'm more than happy to email those to you if you want.

Brian

(See attached file: ESS_Depauw Managers.xls)

"Carla McGuire" <cmcguire@depauw.edu> on 09/23/2004 05:31:48 PM

To: "Brian Snider" <Brian.Snider@hhfd.com>

cc:

Subject: Hedge Fund Primer

(Embedded image moved to file: pic07616.pcx)

Brian,

I have had a few requests from Board members for some background on Hedge Funds. I know last January you had put a small book together on this topic. Is it possible to e-mail me that information so I can have it available at the Board meeting?

Thanks,

Carla

Carla C. McGuire, CFA
Chief Investment Officer
DePauw University
1575 Dietrich Chase Lane
St. Louis, MO 63021
Phone 636-527-7502
Fax 636-527-9185



E. LEE HENNESSEE
Managing Principal
CHARLES J. GRADANTE
Managing Principal

500 FIFTH AVENUE, 47TH FLOOR
NEW YORK, NY 10110
TEL (212) 857-4400
FAX (212) 768-8190

Hedge Funds 101

[Confidential and Proprietary]



The following presentation contains proprietary information.

Any transcription, recording, or reproduction without the express written consent of Hennessee Group LLC is strictly prohibited.



- I. Evolution of Hedge Funds**
- II. Why Invest in Hedge Funds**
- III. Hedge Fund Portfolio Management**
- IV. Downside Risk Management**
- V. Hedge Fund Misconceptions**



I. Evolution of Hedge Funds



Purpose of Presentation

- Educate and inform the audience about the fundamental operations and principals of hedge funds and their investment strategies
- Dispel common notions about hedge funds
 - “Shorting is un-American”
 - “Selling something you don’t own should be illegal”
 - “Hedge funds are cowboys whose reckless management of money will surely cause systemic problems for the market”
 - “The whole concept of hedging (i.e. shorting) is flawed”



Evolution of Hedging

- The use of the term “hedge” has its origins in the agriculture industry
- Farmers were the first “hedgers” by selling crops or cattle yet to be harvested at a fixed price for future delivery. In doing so, they locked in a price and were not exposed to future market fluctuations
 - Selling unplanted crops for future delivery.....SHORT SALE
 - In essence, they “hedged” their market exposure for the period of time it took them to harvest their product
- Hedge funds pursue a similar strategy of selling equities short to reduce the exposure to future market fluctuations
- In a market correction, the short portfolio would outperform the long portfolio or at least “hedge” (or reduce) the decline in the long portfolio’s value
- In a bull market, the long portfolio would outperform the market, while the short portfolio would not be a drag on performance



Farmer.....Risk Management Concept

Controllable Risk

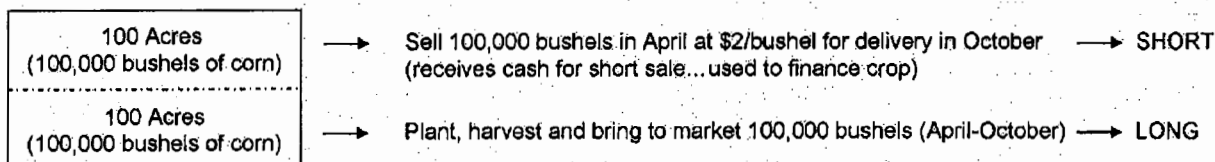
- What crop to plant
- When to plant and harvest
- To "hedge" or "not to hedge"

Non-Controllable Risk

- Nature Risk (Weather, Earthquake)
- Political Risk (War, Trade)
- Monetary Risk (Fed Tightening, Financing Cost)
- Fiscal Risk (Budget Deficit, Govt. Subsidies)
- Market Imbalances (Supply/Demand for Crop)
- Market Panic (September 11, 2001)



Evolution of Hedging



- Long 100,000 bushels of corn at day-to-day market value
 →
 Cash Marketlong S&P 500 stocks
- Short 100,000 bushels of corn at \$2/bushel
 →
 Forward Marketshort S&P 500 futures

- Possible Outcomes...hedged in all scenarios...market neutral
 - Price of corn goes above \$2/bushel
 - Price of corn drops below \$2/bushel
 - Price of corn closes at \$2/bushel



What is a Hedge Fund

- The fund is a private offering of interest in a limited partnership
 - A private “pool” of capital for accredited investors
 - Offering memorandum
 - Investor due diligence
- The general partner is usually the money manager
- The degree of hedging varies. In fact, some do not hedge at all while others simply buy S&P puts in lieu of shorting equities
- The Hennessee Group has identified 23 hedge fund styles (i.e., growth, value, international, etc.). The Hennessee Hedge Fund Indices® are used as a benchmark for the hedge fund industry

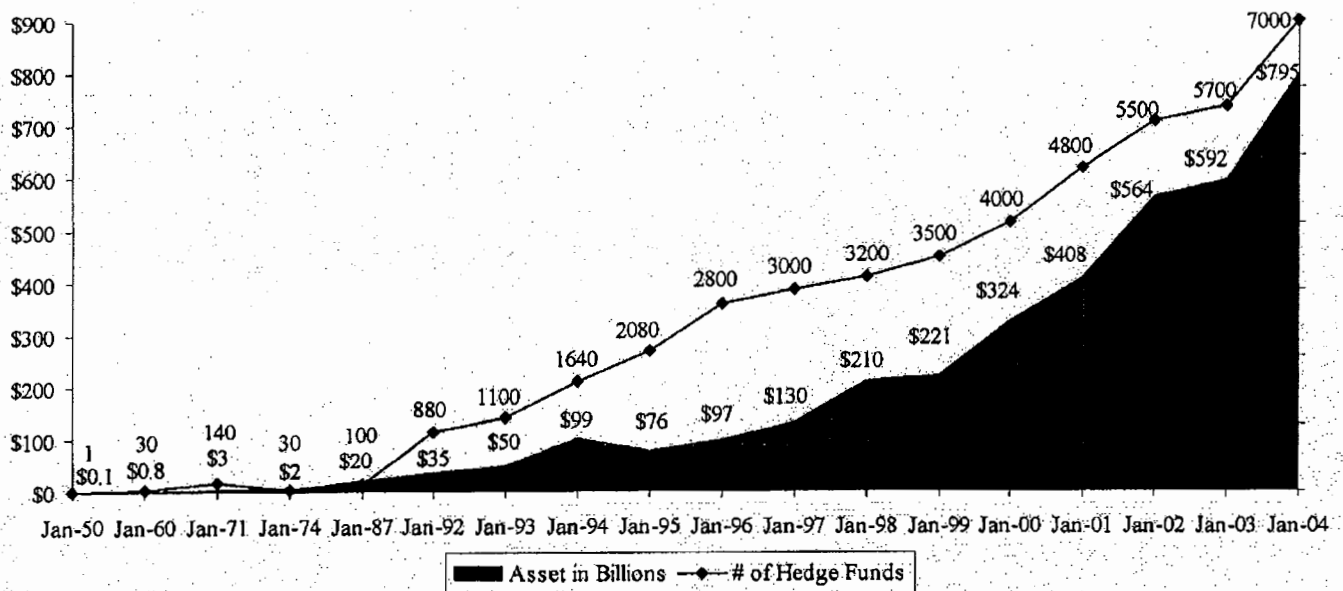


Time Line of Hedge Funds

1950's	1960's	1970's	1980's	1990's	Mid 1990's	2000's
HEDGE FUNDS A.W. Jones	George Soros Michael Steinhardt	Leon Levy	Julian Robertson Bruce Kovner Mark Kingdon Stanley Druckenmiller	Leon Cooperman Moore Capital Mark Strome	Long-Term Capital Management Maverick Pequot	Och-Ziff Wellington Farallon Andor
FUND OF FUNDS	Investors Overseas Services Leverage Capital Holdings	Haussman Holdings	GAM Genessee Ivy Alpha Optima	Collins Evaluation Associates Permal Quota CommonFund	Citibank Chase TIFF	Schwab Oppenheimer Insurance Companies
# Of FOF	0	1	3	10	250	2100
# Of HF	100	30	100	1000	3000	7000



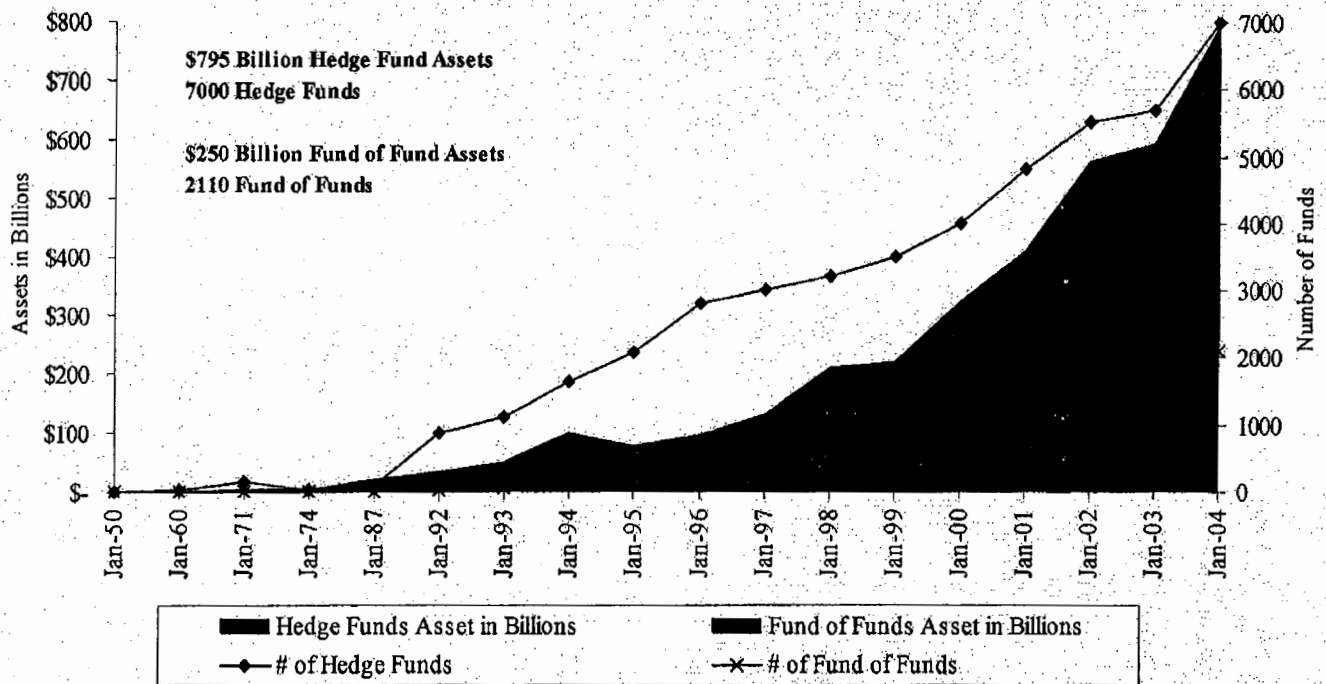
Hedge Fund Assets vs. Number of Hedge Funds



Source: Hennessee Group LLC



Hedge Fund Growth vs. Fund of Fund Growth



Source: Hennessee Group LLC

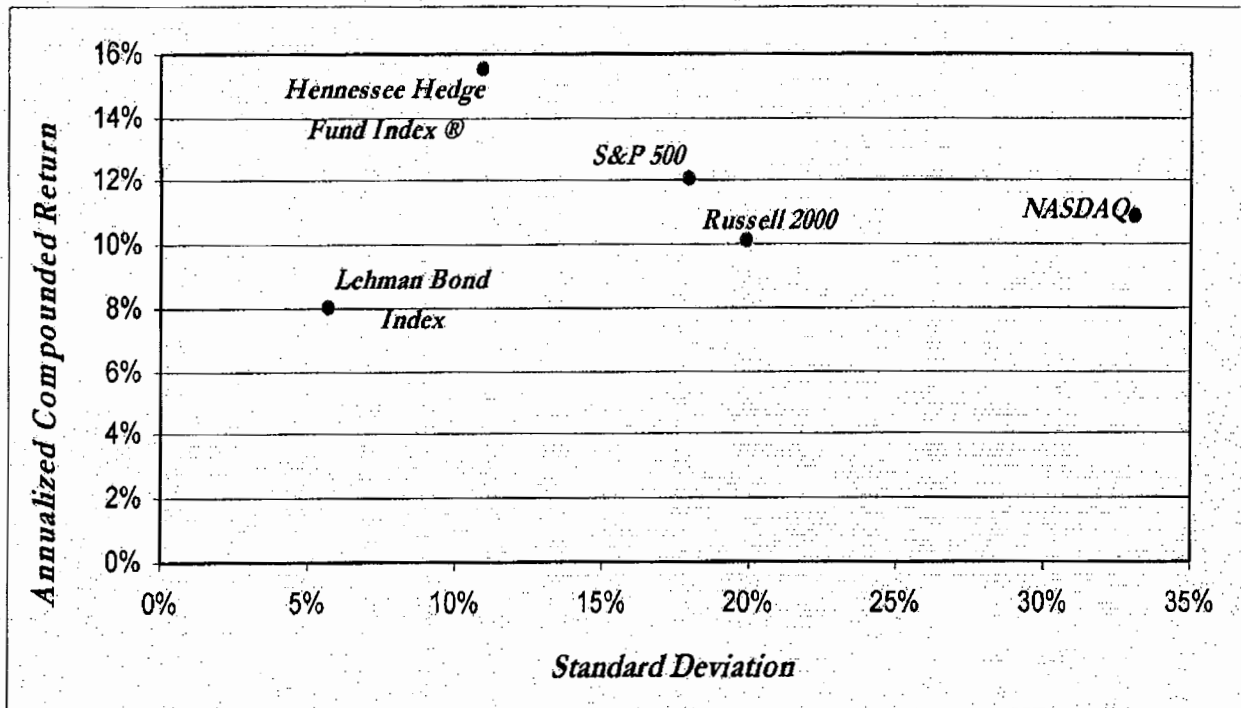


II. Why Invest in Hedge Funds



Hedge Funds Versus Other Asset Classes

January 1, 1987- January 1, 2004



The above information has been obtained from sources believed to be reliable, but no guarantee is made with respect to its accuracy. Past performance is no guarantee of future returns.



Hennessee Hedge Fund Index®

1987- 2003

STYLE	1987-2003	1987-2003	YEARLY RETURNS (NET OF FEES)																
	Average Annual Return	Standard Deviation	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987
HENNESSEE HEDGE FUND INDEX®	15.35%	10.95%	19.88%	-3.51%	3.98%	7.61%	32.59%	1.77%	15.58%	17.22%	15.23%	0.81%	21.34%	18.50%	31.80%	14.76%	30.37%	26.26%	15.24%
HENNESSEE CORRELATED**	15.88%	11.72%	21.63%	-8.19%	1.34%	9.20%	41.88%	9.41%	20.61%	19.81%	25.33%	2.49%	18.80%	18.12%	28.60%	10.08%	24.67%	19.20%	15.61%
HENNESSEE NON CORRELATED***	12.27%	8.63%	12.74%	1.50%	8.60%	9.38%	14.35%	2.46%	13.61%	15.99%	16.15%	1.93%	17.76%	14.02%	17.96%	9.92%	11.59%	38.92%	5.63%
GLOBAL/MACRO	14.62%	13.01%	27.56%	-1.43%	1.83%	1.34%	42.73%	-13.62%	16.90%	19.08%	11.05%	-5.09%	42.87%	14.52%	42.30%	10.61%	40.83%	19.25%	1.10%
S&P 500	12.15%	17.97%	28.69%	-22.10%	-11.88%	-9.09%	21.04%	28.58%	33.38%	22.90%	37.57%	-1.32%	10.87%	7.64%	30.46%	-3.11%	31.68%	16.61%	5.25%
DJIA	10.57%	14.07%	23.33%	-16.16%	-7.10%	-6.15%	25.19%	16.11%	22.65%	26.02%	33.46%	2.15%	13.73%	4.15%	20.33%	-4.34%	26.50%	11.83%	-2.68%
Russell 2000	8.82%	19.57%	45.39%	-21.57%	1.03%	-4.21%	19.64%	-3.44%	20.54%	14.78%	26.21%	-3.18%	17.01%	16.35%	43.68%	-21.47%	14.20%	22.37%	-9.34%
NASDAQ	10.81%	33.11%	50.01%	-31.52%	-21.04%	-39.28%	85.61%	59.62%	21.64%	22.70%	39.92%	-3.10%	14.73%	15.46%	56.60%	-17.82%	19.23%	15.41%	-5.25%
Lehman Bond Index	7.57%	5.02%	4.30%	9.82%	8.98%	10.10%	6.39%	8.42%	7.86%	2.85%	15.30%	-2.13%	8.78%	7.58%	16.13%	8.29%	14.23%	7.39%	2.30%

- Hedge funds have experienced **only 1 down year** since 1987, while, in the same period, the S&P 500 has had *four down years*
- Hedge funds have **outperformed** the S&P 500 in *10 of the last 17 years*.
- Since 1987, annualized returns for hedge funds have **outperformed the S&P 500** with one-third of the volatility

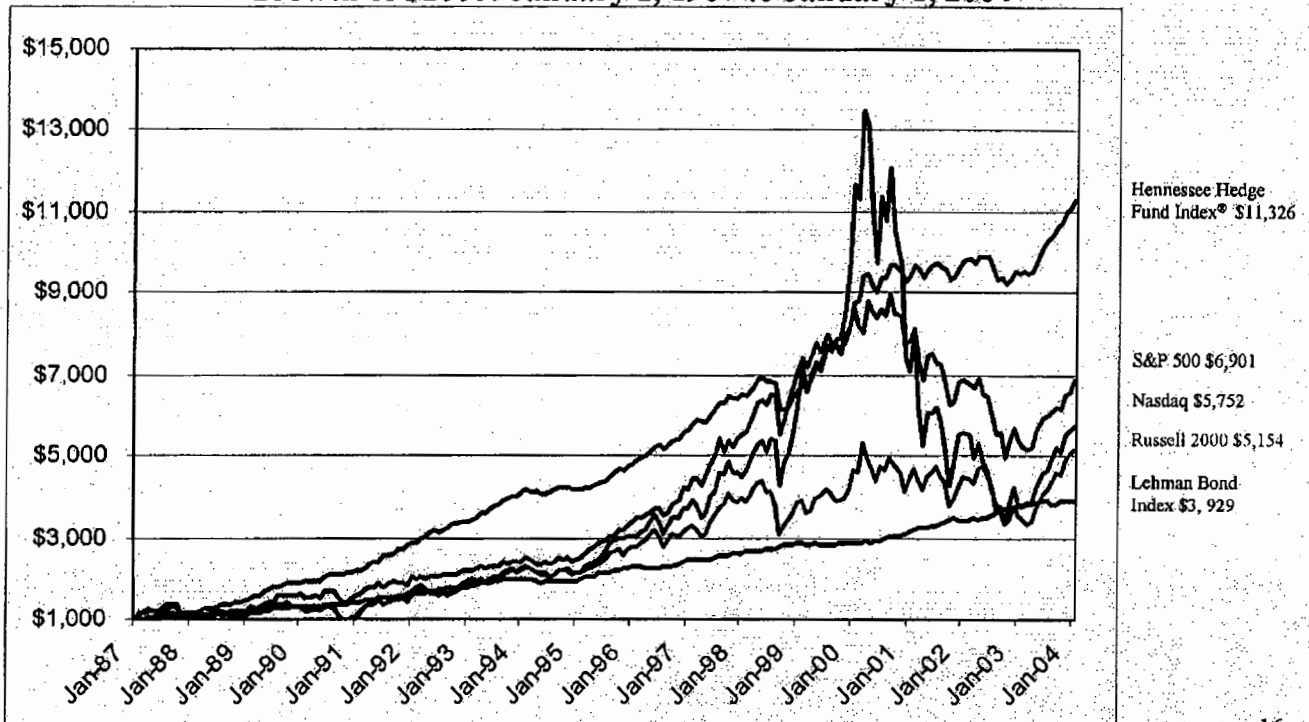
The Hennessee Hedge Fund Index® is believed to represent over half of the capital in the industry and is an equally-weighted average of the funds in the Hennessee Hedge Fund Indices®. Returns are net of fees and unaudited.

The above information has been obtained from sources believed to be reliable, but no guarantee is made with respect to its accuracy. Past performance is no guarantee of future returns.



Hedge Funds Versus Comparative Benchmarks

Growth of \$1000: January 1, 1987 to January 1, 2004

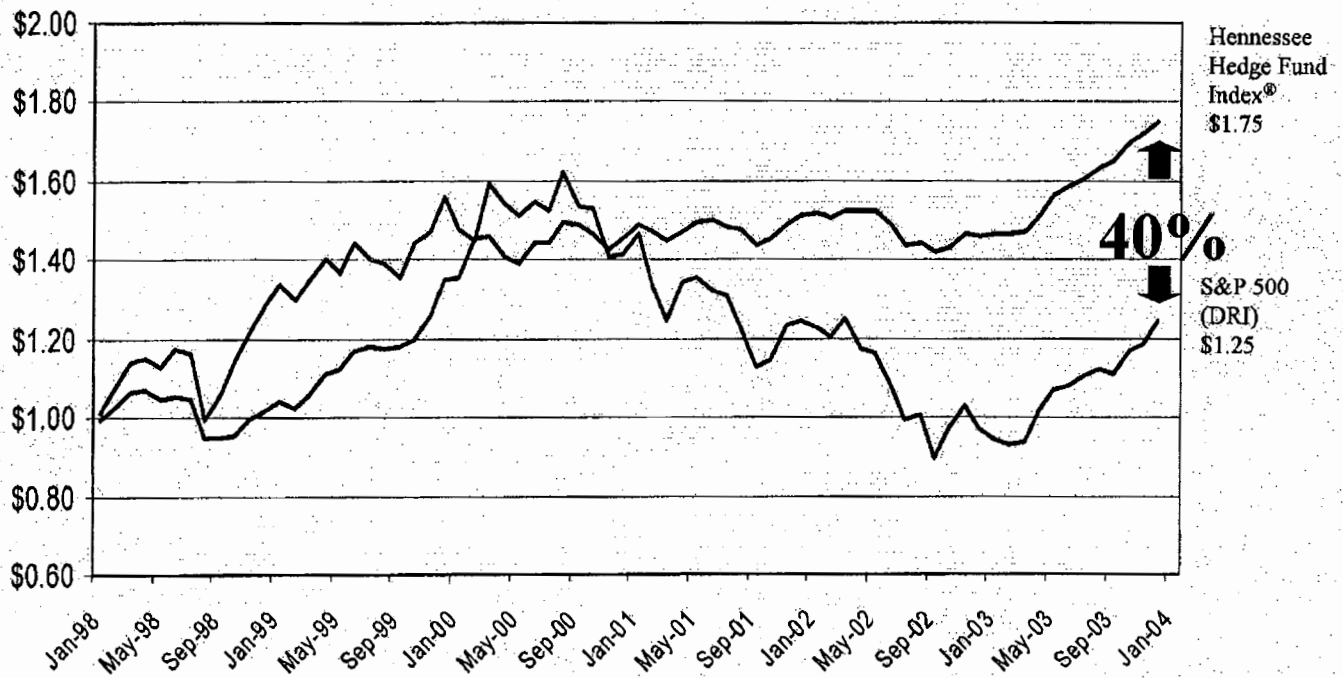


The above information has been obtained from sources believed to be reliable, but no guarantee is made with respect to its accuracy. Past performance is no guarantee of future returns.



Bull/Bear Market Comparison

Growth of \$1: Jan. 1, 1998 to Jan. 1, 2004

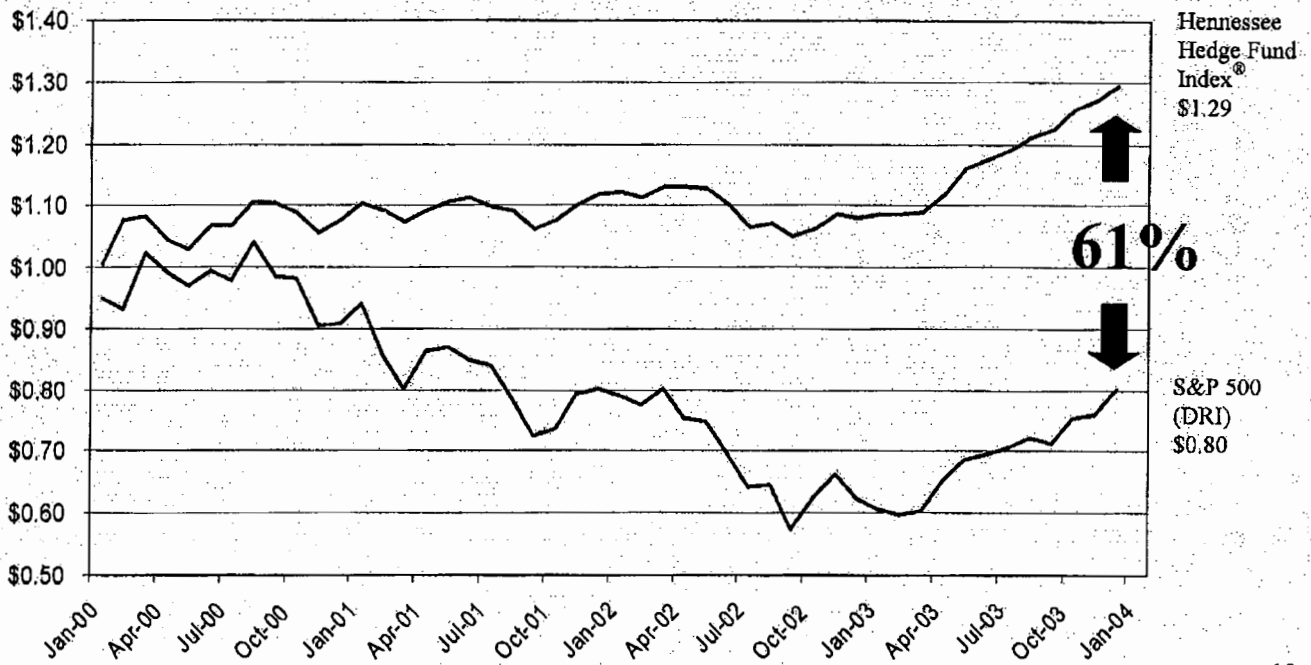


Source: Hennessee Group LLC



Bear Market Comparison

Growth of \$1: January 1, 2000 – January 1, 2004





Hennessee Hedge Fund Indices®

2002

2002 (Net)	YTD	% of mgrs. >S&P, ytd	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
HENNESSEE HEDGE FUND INDEX®	-3.51%	92.27%	0.36%	-0.80%	1.53%	-0.07%	-0.20%	-2.38%	-3.27%	0.53%	-1.77%	0.93%	2.41%	-0.68%
CORRELATED**	-8.19%	87.86%	-0.44%	-1.84%	2.62%	-0.74%	-0.79%	-3.28%	-4.56%	0.33%	-2.72%	1.71%	3.65%	-2.15%
NON-CORRELATED**	1.90%	97.69%	1.10%	-0.34%	0.64%	0.66%	0.28%	-1.20%	-1.90%	0.45%	-0.28%	0.06%	1.43%	1.05%
GLOBAL	-1.45%	95.38%	1.19%	1.13%	0.78%	0.41%	0.34%	-2.32%	-3.14%	1.29%	-2.30%	-0.60%	1.16%	-0.45%
S&P 500 W/DIV	-22.10%		-1.46%	-1.93%	3.76%	-6.06%	-0.74%	-7.12%	-7.79%	-0.66%	-10.87%	-8.80%	5.89%	-5.88%
DJIA	-16.76%		-1.01%	1.88%	2.95%	-4.40%	-0.11%	-6.87%	-5.48%	-0.84%	-12.37%	10.60%	5.94%	-6.23%
MSCIEAFE (USD) PRICE INDEX	-17.52%		-5.36%	0.57%	5.11%	0.45%	0.93%	-4.14%	-9.94%	-0.47%	-10.88%	5.30%	4.42%	-3.42%
RUSSELL 2000	-21.57%		-1.11%	-2.84%	7.90%	0.83%	-4.54%	-5.09%	-15.18%	-0.37%	-7.34%	3.10%	8.80%	-5.72%
NASDAQ	-31.52%		-0.84%	-10.47%	6.58%	-8.51%	-4.29%	-9.44%	-9.22%	-1.01%	-10.86%	13.45%	11.21%	-9.69%
LEHMAN BROS. INT. GOVT. CORP. BONDS INDEX	9.82%		0.52%	0.79%	-1.52%	1.65%	1.00%	0.86%	1.18%	1.49%	1.79%	-0.39%	-0.09%	2.18%

- 1) Hedge funds outperformed the S&P 500 in 8 of the 12 months in 2002
- 2) Hedge funds outperformed the NASDAQ in 8 of the 12 months in 2002
- 3) Hedge funds outperformed in all S&P 500 down months

*CORRELATED: Long/Short Equity; NON-CORRELATED: Even/Arbitrage and Short Bias.

**Includes International, Government and Corporate bonds.

The above information has been obtained from sources believed to be reliable, but no guarantee is made with respect to its accuracy. Past performance is no guarantee of future returns.



Hennessee Hedge Fund Indices®

2003

2003 (Net)	YTD	% of mgrs. >S&P, ytd	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
HENNESSEE HEDGE FUND INDEX	19.88%	30%	0.75%	-0.16%	0.48%	2.77%	3.62%	1.46%	1.28%	1.65%	1.04%	2.64%	1.08%	1.82%
CORRELATED**	21.63%	33%	0.35%	-0.90%	0.49%	3.23%	5.07%	1.75%	2.17%	1.97%	0.45%	2.95%	1.50%	1.69%
NON-CORRELATED**	12.74%	19%	1.63%	0.52%	0.46%	1.68%	1.66%	0.85%	0.28%	0.28%	1.32%	1.50%	0.77%	1.10%
GLOBAL	27.56%	39%	0.03%	-0.04%	0.49%	3.77%	3.56%	1.92%	0.78%	3.73%	2.16%	4.17%	0.50%	3.67%
S&P 500 W/DIV	28.69%		-1.62%	-1.50%	0.97%	8.24%	5.27%	1.28%	1.76%	1.95%	-1.06%	5.66%	-0.88%	5.24%
DJIA	25.33%		-3.45%	-2.02%	1.28%	6.11%	4.37%	1.53%	2.76%	1.97%	-1.49%	5.67%	-0.19%	6.86%
MSCI EAFE (USD) PRICE INDEX	35.29%		-4.23%	-2.47%	-3.39%	9.38%	5.66%	2.19%	2.31%	2.16%	2.92%	6.17%	2.03%	7.77%
RUSSELL 2000	45.39%		-2.85%	-3.13%	1.12%	9.37%	10.62%	1.67%	6.17%	4.50%	-1.96%	8.31%	3.46%	1.90%
NASDAQ	50.01%		-1.09%	1.26%	0.27%	9.18%	8.99%	1.68%	6.92%	4.35%	-1.30%	8.13%	-1.45%	2.20%
LEHMAN BROS. INT. GOVT. CORP. BONDS INDEX	4.30%		-0.01%	1.41%	0.10%	0.76%	2.01%	-0.07%	-1.72%	0.24%	2.53%	-0.94%	0.14%	0.87%

- 1) Hedge funds outperformed the S&P 500 in 5 of the 12 months in 2003
- 2) Hedge funds outperformed the NASDAQ in 3 of the 12 months in 2003
- 3) Hedge funds outperformed in all S&P 500 down months

*CORRELATED: Long/Short Equity; NON-CORRELATED: Even/Arbitrage and Short Bias.

**Includes International, Government and Corporate bonds.

The above information has been obtained from sources believed to be reliable, but no guarantee is made with respect to its accuracy. Past performance is no guarantee of future returns.



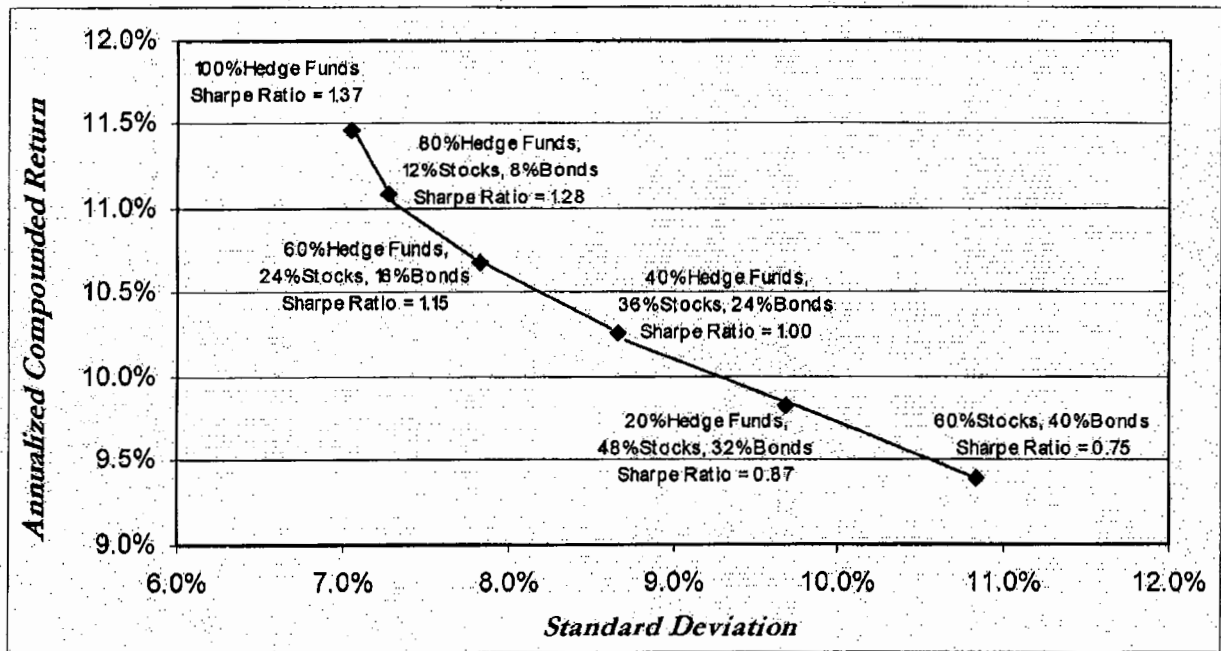
Hedge Fund Performance Characteristics (1987-2003)

- Hedge funds *outperformed* in:
 - AVERAGE MARKETS (S&P 500 Index +4% to +20%). Historically, the S&P has had an average annual return of 12% with a standard deviation of 8% (e.g., 1988, 1992, 1993, 1999)
 - DOWN MARKETS, especially those having a major correction (e.g., 1987, 1990, 2000, 2001, 2002) and those having a minor correction (e.g., 1994)
- Largely due to the losses associated with conservative positioning, hedge funds *underperformed* in markets characterized by excessive valuation, speculative trading and momentum trading (e.g. 1995-1998, 2003), largely due to the losses associated with hedging.
- When included as part of a traditionally managed portfolio, hedge funds can lower volatility (standard deviation), while enhancing overall returns
- Unlike traditionally managed portfolios, hedge funds are both an offensive and defensive investment approach
 - Hedge funds participate on the upside in a bull market and protect capital in a market crash or an extended bear market



The Value of Hedge Funds in a Diversified Portfolio

Efficient Frontier Analysis: January 1, 1993 - January 1, 2004



The above information has been obtained from sources believed to be reliable, but no guarantee is made with respect to its accuracy. Past performance is no guarantee of future returns.



III. Hedge Fund Portfolio Management